

# **TIPP CITY COUNCIL STUDY SESSION**

**TIPP CITY, MIAMI COUNTY, OHIO**

**FEBRUARY 2, 2009**

## **Study Session**

City Manager Jon Crusey opened the Study Session at 6:33 p.m. on this date.

## **Roll Call**

Council Members in attendance included: William D. Beagle, George H. Lovett, President Patrick A. Hale, John E. Kessler, Vickie K. Blakey, Dolores Gillis, and Mayor Tim Evans. Others in attendance included: Law Director Joseph P. Moore, Finance Director Richard Drennen, Utilities Director Mo Eichman, Assistant Utilities Director Christy Butera, Utility Billing Supervisor Stacie Brown, *Dayton Daily News* reporter Nancy Bowman, and Clerk of Council Cathy Ross.

## **Discussion – AMR/Broadband**

Mr. Eichman reviewed with City Council the attached PowerPoint presentation regarding AMR/BPL. It was noted that the City submitted a RFQ in December and received two proposals, one of which did not meet the qualifications. The proposal from Uptown Solutions did meet the qualifications and Mr. Eichman noted that they are endorsed by AMP-Ohio. City staff has met with representatives from the company and recommends using them for the AMR study.

Mr. Eichman noted that the cost for the AMR study is \$30,000; the Broadband study is an additional \$25,000. Also noted is the fact that both water and electric meters currently need to be replaced at a cost of \$560,600. Mrs. Blakey asked the life expectancy of meters. Mr. Eichman replied that the life expectancy is 10 years and Mrs. Butera added that meters would be replaced on a rotating basis in the future.

Mr. Eichman informed Council that if they are ever going to consider broadband, now is the time to complete the study. The study will determine if there is a market for this service as well as the City's potential uses for wireless.

President Hale asked if residents would see price increases if the City does AMR. Mr. Eichman stated that if all items were approved in the 5 year Capital Improvement Plan a 3% increase in the Water fund would be the worst case scenario, but noted that with accurate meters we could forego increases. President Hale stated he would like to see the possible price increases at the time the study is completed.

Mr. Eichman then reviewed the attached PowerPoint presentation with Council regarding FERC Order 719. Council discussed the implications of allowing an Aggregator of Retail Customers (ARC) in Tipp City and agreed to approve an emergency ordinance at the Council meeting.

Mr. Lovett expressed his opinion that Council should move forward with the AMR study, but does not believe that the City will be able to compete with other providers of broadband; therefore, he will support the AMR study, but not the broadband study.

Mrs. Blakey agreed that the City should not get into the broadband

**Adjournment**

business.

The study session concluded at 7:30 p.m.

\_\_\_\_\_  
Patrick A. Hale, President of Council

Attest: \_\_\_\_\_  
Cathy Ross, Clerk of Council

# **TIPP CITY COUNCIL MEETING**

**TIPP CITY, MIAMI COUNTY, OHIO**

**FEBRUARY 2, 2009**

## **Roll Call**

President Patrick A. Hale called to order the regular meeting of the Tipp City Council at 7:55 p.m. Roll call showed the following Councilmembers present: William D. Beagle, Vickie K. Blakey, Mayor Tim E. Evans, George H. Lovett, President Patrick A. Hale, Dolores Gillis, and John E. Kessler.

Others in attendance: City Manager Jon Crusey, Law Director Joseph P. Moore, Finance Director Richard Drennen, Fire Chief Steve Kessler, City Engineer Scott Vagedes, Assistant City Manager Bradley C. Vath, Utility Billing Supervisor Stacie Brown, *Dayton Daily News* reporter Nancy Bowman, *Sunday Record Herald* reporter Joyell Collins, and Clerk of Council Cathy Ross.

Guests signing the register included: Dr. Chuck Smith, Rev. Marc Sherlock, John Berbach, David Werts, and Steven Chaney

## **Invocation and Pledge of Allegiance**

Father Marc Sherlock delivered the invocation and President Hale led the Pledge of Allegiance.

## **Approval of Agenda Amendment**

President Hale made a motion to amend the agenda by removing item B from the Motions section of the agenda, seconded by Mr. Lovett and unanimously approved.

## **Approval of Agenda**

The amended agenda was approved with a motion from President Hale, seconded by Mr. Lovett.

## **Adoption of Minutes**

Mr. Lovett moved, seconded by Mr. Beagle, to approve the minutes of the January 19, 2009 Pre-Meeting Study Session. The motion carried 6-0. Mrs. Gillis abstained.

Mr. Lovett noted that on page 51 of the minutes, left column under Resolution 02-09, it should state Police Vehicle Purchase instead of Kinna Drive. Mr. Lovett moved, seconded by Mr. Kessler, to approve the amended minutes of the January 19, 2009 Meeting. The motion carried 6-0. Mrs. Gillis abstained.

President Hale moved, seconded by Mr. Beagle, to approve the minutes of the January 19, 2009 Post-Meeting Study Session. The motion carried 6-0. Mrs. Gillis abstained.

## **Ordinance (Second Reading)**

The following ordinances were presented to City Council for adoption.

### **Ordinance 02-09 Dedication of Right-of-Way**

Ordinance 02-09: An ordinance approving the dedication of right-of-way for part of County Road 25A from SR571 to Meijers.

Clerk of Council Summary: The Planning Board recommended the approval of this right-of-way dedication at its January 13, 2009 meeting.

City Manager Report: This ordinance accepts the dedication of 7.614

acres of right-of-way along CR 25-A between SR 571 and the Meijer Distribution Facility. In 2005-2006 the City widened this segment of CR 25-A to five lanes, which included the acquisition of associated right-of-way. A portion of the right-of-way, 5.158 acres, is located within the corporate boundaries of Tipp City while the remaining 2.456 acres is located outside of the corporate limits. The right-of-way dedication plat has been approved by the Miami County Commissioners and the Miami County Engineer. The Planning Board reviewed this matter at their January 13, 2009 meeting and recommended approval. An ordinance annexing the right-of-way located outside of the corporate limits will be presented to Council in the near future.

There being no further discussion, Mrs. Blakey sponsored this ordinance and moved for its adoption, seconded by Mr. Kessler. The motion carried with a 7-0 vote. Ordinance 02-09 was declared passed and President Hale affixed his signature in witness thereto.

**Resolutions  
(One Reading Required)**

The following resolutions were presented to City Council for adoption.

**Resolution 05-09**  
natureWORKS Grant  
Application

Resolution No. 05-09: A resolution authorizing the City Manager to file a grant application and enter into an agreement with the Ohio Department of Natural Resources (ODNR) for playground equipment in City Park.

Clerk of Council Summary: The City is applying for a natureWORKS grant in the amount of \$18,228 to pay for new playground equipment in City Park.

City Manager Report: This resolution authorizes the City Manager to apply for and enter into any necessary agreements related to an Ohio Department of Natural Resources natureWORKS grant. Council reviewed potential projects at its January 19, 2009 Study Session and favored submitting a grant application for play equipment at City Park. The estimated project cost is \$24,328 with a maximum of \$18,228 coming from the natureWORKS grant and a minimum of \$6,100 from Tipp City.

Mr. Lovett sponsored this resolution and moved for its adoption, but noted that if the City receives this grant, there is no obligation to spend the money. Motion was seconded by Mayor Evans and motion carried. Resolution 05-09 was declared passed and President Hale affixed his signature in witness thereto.

**Resolution 06-09**  
Cost Saving Measures

Resolution No. 06-09: A resolution eliminating certain costs from the City's budget.

Clerk of Council Summary: This resolution implements cuts to the fiscal year 2009 budget recommended at the January 19, 2009 City Council Study Session.

City Manager Report: City Council, at its January 19, 2009 Study Session, reviewed cost saving measures to eliminate or reduce services, modify operational procedures, and cut discretionary spending, thereby reducing operating expenses. The recommended proposals could result in an annualized savings of \$118,461 plus an additional \$17,100 in annual revenue.

Mrs. Gillis apologized for missing the January 19<sup>th</sup> meeting where these budget reductions were discussed and noted that she supports all proposed cuts except for the discontinuation of leaf pick-up. Mrs. Gillis made a motion to amend the resolution to remove the discontinuation of leaf pick-up. She noted that there were no cost reductions listed associated with leaf pick-up and added that if equipment repair or purchase is where the cost savings are, the City should look at it at in the future if and when repair or replacement is necessary. Mr. Crusey stated the cost savings are fuel and the reduction of one seasonal employee. He added that it would also free up time for street maintenance. Mr. Lovett stated that a great many of the proposed cuts will cause the citizens an inconvenience, not just leaf pick-up. Mr. Beagle added that the cost of leaf pick-up will be transferred to the citizens because they will need to purchase yard waste bags. Mrs. Blakey noted that she would prefer funds be spent on the health, safety, and welfare of residents as in snow removal. Mr. Evans stated that the cost savings will be fuel, maintenance on equipment and staff and added that he will support the resolution as presented. Mr. Kessler stated that he has heard remarks from several residents that they do not like some of the changes, but appreciate and understand what Council is trying to accomplish.

The motion to amend the resolution died due to lack of a second.

There being no further discussion, Mr. Lovett sponsored this resolution and moved for its adoption, seconded by Mayor Evans. The motion carried with a 6-1 vote with Mrs. Gillis voting no. Resolution 06-09 was declared passed and President Hale affixed his signature in witness thereto.

#### **Resolution 07-09**

Support of DTTCP Ohio  
Main Street Application

Resolution No. 07-09: A resolution endorsing the concept of a local Main Street Program and the submittal of an application to the Heritage Ohio Main Street Program.

Clerk of Council Summary: This resolution endorses the Downtown Tipp City Partnership's application for Ohio Main Street recognition.

City Manager Report: The Downtown Tipp City Partnership will be making application to Heritage Ohio to become an official Main Street community. City Council previously adopted Resolution 03-09, extending the Agreement between the City of Tipp City and the Chamber of Commerce for an additional three years (2010-2012) to fund the Downtown Coordinator/Chamber Executive position. The adoption of this resolution would express City Council's endorsement of the Downtown Tipp City Partnership's application for Ohio Main Street recognition.

There being no further discussion, Mr. Kessler sponsored this resolution and moved for its adoption, seconded by President Hale. The motion carried. Resolution 07-09 was declared passed and President Hale affixed his signature in witness thereto.

#### **Ordinances (First Reading) FERC Order 719**

Mayor Evans sponsored an ordinance to allow only the City of Tipp City to aggregate demand response of retail customers in accordance with FERC Order 719 and taking other actions in connection therewith and declaring an emergency.

Clerk of Council Summary: This ordinance will require that all aggregation of demand response of Tipp City Electric customers will be performed by the Municipality or its authorized agent.

City Manager Report: On October 17, 1008 the Federal Energy Regulatory Commission (FERC) issued a new rule (FERC Order 719) that requires Independent System Operators and Regional Transmission Organizations (RTO's) to allow retail customers – including the retail customers of public power systems – to bid and sell their retail demand response into the RTO's wholesale electricity market. The new requirements of FERC Order 719 may significantly undermine existing, planned or potential demand response programs of public power systems, and could require substantial changes to resource planning, operations and rate design. FERC Order 719 also provides a mechanism for most public power systems to “opt-out” of many of FERC Order 719's requirements. Because it is not in the best interest of the City of Tipp City to allow a third party to aggregate loads of our retail customers, the adoption of this ordinance would require all aggregation of demand response of Tipp City Electric customers be performed by the Municipality or its authorized agent. In other words, by adopting this ordinance the City of Tipp City will be “opting-out” of the aggregation requirements of FERC Order 719. Furthermore, because third-party aggregation could take place as early as February 2009, and once bids of aggregated retail customers are accepted Tipp City may not be able to retroactively prohibit those customers from participating in third-party aggregation, it is recommended that City Council adopt this ordinance as an emergency, thereby becoming effective immediately.

There being no further discussion, Mayor Evans sponsored this ordinance and moved for its adoption as an emergency, seconded by Mr. Lovett. The motion carried with a 7-0 vote. Ordinance 03-09 was declared passed and President Hale affixed his signature in witness thereto.

#### Issuance and Sale of Notes

Mr. Beagle sponsored an ordinance providing for the issuance and sale of notes in the maximum principal amount of \$1,650,000, in anticipation of the issuance of bonds, for the purpose of paying (I) the City's portion of the costs of improving County Road 25A between certain termini within the City in cooperation with the Director of Transportation of the State of Ohio by paving, draining and constructing curbs, gutters and necessary approaches, together with all necessary appurtenances thereto and (II) the costs of extending Kinna Drive both northerly and southerly from the current termini, by excavating, grading, draining, paving, and curbing, installing street lighting, water lines and storm and sanitary sewer lines, fire protection systems and electric lines, together with all necessary appurtenances thereto.

Clerk of Council Summary: The City has \$1,650,000 in notes maturing on April 22, 2009. This note issuance will be used to retire the outstanding notes with the balance of \$25,000 being taken from the Capital Improvement Reserve Fund.

City Manager Report: The previous construction of CR 25-A and the current extension of Kinna Drive are partly financed by the issuance of short-term debt, or 1-year bond anticipation notes. Annually, on the anniversary date of the issuance of the notes, the City must refinance, or rollover, its outstanding notes until such debt is taken long, or financed with long-term

debt. The City's bond counsel has prepared this legislation for the sale of the CR-25A note (\$550,000) and the Kinna Drive Extension note (\$1,100,000). At completion of the Kinna Drive Extension project, that note will be offset by \$500,000 from the Ohio Department of Development and \$210,000-\$250,000 from the private developer. Bond anticipation notes in the amount of \$1,650,000 are scheduled to be sold on April 8, 2009 with the closing taking place April 22, 2009.

**Motions**

Appointment to  
Restoration Board

Mayor Evans made a motion, seconded by Mrs. Gillis, and unanimously approved to appoint Lauryn Bayliff to the Restoration and Architectural Board of Review for a partial term expiring December 31, 2010.

**Citizen Comments**

Dr. Chuck Smith approached Council stating that he had received a letter from the Zoning Administrator regarding tenants in his building. He had originally planned to discuss this letter with Council, but instead discussed the inability of Tipp City to recruit and maintain medical professionals. Council requested that Dr. Smith contact the City Manager to discuss any specific items he believes requires the attention of or assistance from Council.

**Councilmember  
Comments**

Mr. Kessler thanked the Street Department for their efforts in snow removal during the recent heavy snowfall. He added that overall he has received favorable comments.

**City Manager Comments**

Mr. Crusey stated that the final payment was made for the Kyle Park Bikepath. Mrs. Blakey asked if this was the final section of the bike path. Mr. Crusey replied that it would take it to the southern boundary. Mr. Crusey also noted that he would begin making the public aware of the cuts made to services.

**Executive Session**

Mrs. Blakey moved to adjourn to Executive Session to discuss collective bargaining, seconded by Mr. Beagle. The motion carried with a vote of 7-0. Executive Session to include the Acting City Manager, the City Manager and City Council

**Adjournment**

There being no further business, it was moved by Mrs. Blakey, seconded by President Hale, that the meeting be adjourned. The motion unanimously carried. President Hale declared the meeting adjourned at 8:57 p.m.

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Patrick A. Hale, President of Council

Attest: \_\_\_\_\_  
Cathy Ross, Clerk of Council